

G.17.3

February 2, 1950

## DEPARTMENT STORE CREDIT

DECEMBER 1949

Instalment accounts receivable of department stores were 13 per cent larger at the end of December than a month earlier and continued substantially above the year-ago amounts outstanding. Collections on instalment accounts rose 8 per cent in December and, when related to first-of-month accounts receivable, yielded a collection ratio of 20 per cent, the same as for November. For the year as a whole, however, the rate at which outstanding indebtedness is being repaid has slackened from that prevailing a year earlier.

Charge accounts outstanding expanded sharply as is customary in December. For the first time since February, end-of-month accounts receivable rose above the level of the preceding year. Collections on accounts of this type were up 6 per cent but failed to keep pace with the growing indebtedness; consequently the collection ratio dropped two points to 52 per cent in December.

Department store sales showed somewhat more than the usual marked rise in December. Cash sales were 54 per cent larger than in November but remained below the 1948 volume. Charge-account sales also expanded sharply--by 44 per cent--and were slightly above the year-earlier total. A less pronounced seasonal increase normally occurs in instalment sales in December which in that month of 1949 exceeded the November volume by 26 per cent. Transactions of this type were again substantially above those in the corresponding period of 1948. In 1949, credit sales on both instalment and charge accounts accounted for a greater part of total department store business than a year earlier.

## Department Store Sales, Accounts Receivable, and Collections

Item	Percentage change from:		
	Nov. 1949 to Dec. 1949	Dec. 1948 to Dec. 1949	
Sales during month			
Cash	+54	- 7	
Instalment	+26	+17	
Charge account	+44	+ 1	
Accounts receivable, end of month			
Instalment accounts	+13	+22	
Charge accounts	+34	+ 1	
Collections during month			
Instalment accounts	+ 8	+ 7	
Charge accounts	+ 6	- 3	
Ratio of collections during month to accounts receivable at beginning of month:			
	Dec. 1949	Nov. 1949	Dec. 1948
Instalment accounts	20	20	23
Charge accounts	52	54	53

NOTE.--Figures for December 1949 are preliminary and subject to revision.

## DEPARTMENT STORES - DECEMBER 1949

## Cash and Credit Sales, by Federal Reserve Districts

Federal Reserve District	Indexes; 1941 average = 100								
	Cash sales			Installment sales			Charge-account sales		
	Dec. 1949p	Nov. 1949	Dec. 1948	Dec. 1949p	Nov. 1949	Dec. 1948	Dec. 1949p	Nov. 1949	Dec. 1948
Boston	386	254	411	326	273	279	352	255	351
New York	354	241	374	339	278	328	329	224	330
Philadelphia	398	259	425	372	271	314	383	309	385
Cleveland	352	230	395	329	260	275	365	252	373
Richmond	390	249	405	280	237	232	365	253	355
Atlanta	489	286	544	458	330	340	430	289	418
Chicago	369	245	399	288	233	237	364	266	364
St. Louis	360	254	390	367	299	332	360	258	347
Minneapolis	444	278	453	296	255	235	419	286	389
Kansas City	424	300	512	305	246	252	396	264	380
Dallas	483	287	518	485	393	331	469	304	456
San Francisco	397	228	427	293	210	238	406	247	396
U. S. Total	380	247	408	326	259	278	373	260	370

## Accounts Receivable and Collections, by Federal Reserve Districts

Federal Reserve District	Accounts outstanding end of month						Collection ratios*					
	Indexes; 1941 average = 100						Installment			Charge account		
	Dec. 1949p	Nov. 1949	Dec. 1948	Dec. 1949p	Nov. 1949	Dec. 1948	Dec. 1949p	Nov. 1949	Dec. 1948	Dec. 1949p	Nov. 1949	Dec. 1948
Boston	199	176	155	267	198	262	17	18	20	46	50	50
New York	170	148	151	256	194	250	17	17	19	45	48	47
Philadelphia	224	193	194	353	264	343	17	19	20	42	53	43
Cleveland	228	203	209	286	213	292	19	18	20	51	53	53
Richmond	181	159	149	258	197	254	18	20	20	43	47	44
Atlanta	331	300	235	284	220	275	15	15	19	43	44	46
Chicago	177	157	132	285	215	288	23	23	30	62	63	64
St. Louis	241	220	196	306	253	314	21	20	24	52	55	53
Minneapolis	203	191	161	281	211	274	21	22	26	55	57	60
Kansas City	246	222	216	295	219	270	22	22	26	56	56	59
Dallas	369	335	273	293	221	285	16	15	20	53	52	53
San Francisco	225	197	171	297	202	288	22	20	25	57	56	55
U. S. Total	214	189	176	285	213	281	20	20	23	52	54	53

p - Preliminary.

\* - Collections during month as percentage of accounts receivable at beginning of month. These data have been revised for recent months.

NOTE.--These data are based on reports of about 475 large department stores reporting sales by type of transaction, more than 400 having charge accounts and about 300 having installment accounts. Back figures may be obtained on request from the Division of Research and Statistics.